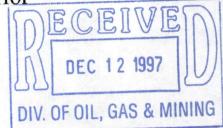


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Salt Lake District Office 2370 South 2300 West Salt Lake City, Utah 84119



U-72296 3809 (UT-023)

DEC 11 1997

CERTIFIED MAIL P 443 670 519 RETURN RECEIPT REQUESTED

Mr. William L. Bown Utah Building Stone Supply 842 West 400 North West Bountiful, UT 84087

Dear Mr. Bown:

On December 9, 1997, we received a copy of your Plan of Operations from the Utah Division of Oil, Gas and Mining (UDOGM), for proposed mining activities on your Golden Eagle #2-7, Rusty Rock, and Windy Ridge placer mining claims located in T. 12 N., R. 17 W., Sections 1, 3, 10, and 11, and T. 13 N., R. 17 W., Sections 34 and 35.

We cannot consider your plan to be complete until you provide this office with the following additional information:

- 1. A confirmation from you that you accept the acreage estimate as shown on the "Area Map," prepared by UDOGM, and received by this office on December 9, 1998.
- 2. At Attachment "A," you indicate that you plan to extract material from the Golden Eagle #2-7, Rusty Rock, and Windy Ridge placer mining claims. The "Area Map" provided by UDOGM does not show any proposed mining or road construction activities in the area of the Windy Ridge mining claim in T. 12 N., R. 17 W., Section 1. Will the Windy Ridge claim be impacted by mining activities?
- Please provide additional information regarding your mining method. In your submitted plan, you state that "a "grizzly" bucket will be used. Material that is too small will slip through the holes in the bucket and back into the slide." This method of mining implies that you intend to remove the larger pieces of rock, material that may be "common variety" and therefore not locatable. You also mention in your plan that you will be "grading stone by hand and palletizing according to the different grades and classifications. Grading will be based on piece size, thickness, coloration, and overall quality."

Please provide a breakdown of your size and grading requirements, including a description of the thickness and color of the material that is selectively palletized and removed from the subject mining claims.

- 4. Please provide a list of the specific stone product(s), and the proposed use(s) for the material that is proposed to be mined from Public Lands.
- 5. You must also comply with a March 31, 1997 final rule which was published in the Federal Register. This rule amends the Bureau of Land Management's (BLM) surface management regulations at 43 CFR 3809. This rule requires the submission of financial guarantees for reclamation of all hardrock mining operations greater than casual use. For all operators, the final rule also requires the following:

The bond amount must be no less than 100 percent of the estimated costs to reclaim the land disturbed. The bond is required to be for an amount the greater of 100 percent of the cost to reclaim the disturbed area, or \$2,000.00 per acre for a Plan of Operation.

All bonds submitted directly to, or certified to the BLM, must be accompanied by a third-party Professional Engineer's (PE) certification of the reclamation costs. We cannot consider your Plan of Operations to be complete until we have received the PE certification.

It is our opinion that you are proposing to mine common variety mineral materials (salable minerals) under the auspices of the mining law. Material of this type can be readily purchased from similar locations on Public Land under the Materials Act of 1947, and mineral materials disposal regulations at 43 CFR 3600.

For minerals to be uncommon, and therefore locatable, they must meet the following criteria, as cited in McClarty v. Secretary of Interior, 408 F. 2d. 907, 980 (9th Cir. 1969):

- 1. There must be a comparison of the mineral deposit in question with other deposits of such minerals generally;
- 2. The mineral deposit in question must have a unique property;
- 3. The unique property must give the deposit a distinct and special value;
- 4. If the special value is for uses to which ordinary varieties of the mineral are put, the deposit must have some distinct and special value for such use; and
- 5. The distinct and special value must be reflected by the higher price which the material commands in the market place, or by reduced cost or overhead so that the profit to the claimant would be substantially more.

Please be advised that Utah Building Stone Supply may be liable for trespass damages if material is removed from the subject mining claims without a sales contract from the Bureau of Land Management. In order to evaluate Utah Building Stone's assertion regarding the locatability of minerals located within the boundaries of the Golden Eagle #2-7, Rusty Rock, and Windy Ridge mining claims, please provide this office with a summary of the uses that the material would be suited for, and a summary of the beneficiation process (or processes) involved in producing a marketable product. If you fail to provide this office with the requested information regarding the uses, beneficiation processes, etc. for the subject stone, further processing of the Plan of Operations must be held in abeyance until the issue of locatability of the mineral in question is resolved (Southwest Resources Council, 96 IBLA 105, 124 (1987)).

Please be advised that the removal of mineral materials without an accepted Notice, or under an approved Plan of Operations or mineral material sales contract, will be considered a willful trespass.

Please submit the requested information within 15 days of receipt of this letter, or we will consider your Plan of Operations to be withdrawn. If you have any questions, or require additional information, please feel free to contact Michael Ford of my staff at (801) 977-4360.

Sincerely,

/s/ Margaret Wyatt

Area Manager

cc: D. Wayne Hedberg, UDOGM